

067173 2006

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047

2006

Open to Public Inspection

A For the 2006 calendar year, or tax year beginning

and ending

B Check if applicable:

- ☐ Address change
☐ Name change
☐ Initial return
☐ Final return
☐ Amended return
☒ Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization
SACRAMENTO NEIGHBORHOOD HOUSING SERVICES, INC.

Number and street (or P.O. box if mail is not delivered to street address)

3447 5TH AVENUE

Room/suite

City or town, state or country, and ZIP + 4

SACRAMENTO, CA 95817

D Employer identification number

68-0118032

E Telephone number

916-452-5361

F Accounting method: ☐ Cash ☒ Accrual
☐ Other (specify) ▶

• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

H and **I** are not applicable to section 527 organizations.

H(a) Is this a group return for affiliates? ☐ Yes ☒ No

H(b) If "Yes," enter number of affiliates ▶ **N/A**

H(c) Are all affiliates included? **N/A** ☐ Yes ☐ No
(If "No," attach a list.)

H(d) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☒ No

I Group Exemption Number ▶ **N/A**

G Website: ▶ **WWW.SACNHS.ORG**

J Organization type (check only one) ☒ 501(c) (3) (Insert no.) ☐ 4947(a)(1) or ☐ 527

K Check here ☐ if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶

1,765,055.

M Check ☐ if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

1 Contributions, gifts, grants, and similar amounts received:				
a Contributions to donor advised funds	1a			
b Direct public support (not included on line 1a)	1b	428,702.		
c Indirect public support (not included on line 1a)	1c			
d Government contributions (grants) (not included on line 1a)	1d	809,810.		
e Total (add lines 1a through 1d) (cash \$ 1,139,438. noncash \$ 99,074.)	1e		1,238,512.	
2 Program service revenue including government fees and contracts (from Part VII, line 93)	2		387,644.	
3 Membership dues and assessments	3			
4 Interest on savings and temporary cash investments	4		19,974.	
5 Dividends and interest from securities	5			
6a Gross rents	6a			
b Less: rental expenses	6b			
c Net rental income or (loss). Subtract line 6b from line 6a	6c			
7 Other investment income (describe ▶)	7			
8a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other	
b Less: cost or other basis and sales expenses	8a			
c Gain or (loss) (attach schedule)	8b			
d Net gain or (loss). Combine line 8c, columns (A) and (B)	8c			
8d				
9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>				
a Gross revenue (not including \$ 45,443. of contributions reported on line 1b)	9a	94,470.		
b Less: direct expenses other than fundraising expenses	9b	55,835.		
c Net income or (loss) from special events. Subtract line 9b from line 9a	9c	SEE STATEMENT 1	38,635.	
10a Gross sales of inventory, less returns and allowances	10a			
b Less: cost of goods sold	10b			
c Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a	10c			
11 Other revenue (from Part VII, line 103)	11		24,455.	
12 Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12		1,709,220.	
13 Program services (from line 44, column (B))	13		901,565.	
14 Management and general (from line 44, column (C))	14		54,880.	
15 Fundraising (from line 44, column (D))	15		61,061.	
16 Payments to affiliates (attach schedule)	16			
17 Total expenses. Add lines 16 and 44, column (A)	17		1,017,506.	
18 Excess or (deficit) for the year. Subtract line 17 from line 12	18		691,714.	
19 Net assets or fund balances at beginning of year (from line 73, column (A))	19		4,697,942.	
20 Other changes in net assets or fund balances (attach explanation)	20		0.	
21 Net assets or fund balances at end of year. Combine lines 18, 19, and 20	21		5,389,656.	

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01-18-07

LHA For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2006)

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**Part II Statement of
Functional Expenses**All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3)
and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach schedule) (cash \$ <u>0</u> • noncash \$ <u>0</u> .) If this amount includes foreign grants, check here <input type="checkbox"/>				
22b Other grants and allocations (attach schedule) (cash \$ <u>0</u> • noncash \$ <u>0</u> .) If this amount includes foreign grants, check here <input type="checkbox"/>				
23 Specific assistance to individuals (attach schedule)				
24 Benefits paid to or for members (attach schedule)				
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A STMT 3	225,004.	202,503.	15,750.	6,751.
b Compensation of former officers, directors, key employees, etc. listed in Part V-B	0.	0.	0.	0.
c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
26 Salaries and wages of employees not included on lines 25a, b, and c	323,614.	291,253.	22,653.	9,708.
27 Pension plan contributions not included on lines 25a, b, and c	13,372.	12,035.	936.	401.
28 Employee benefits not included on lines 25a - 27	37,895.	34,106.	2,653.	1,136.
29 Payroll taxes				
30 Professional fundraising fees				
31 Accounting fees	33,509.	30,158.	2,346.	1,005.
32 Legal fees				
33 Supplies	34,929.	33,671.	881.	377.
34 Telephone	6,451.	5,807.	452.	192.
35 Postage and shipping	5,176.	4,658.	362.	156.
36 Occupancy	41,295.	37,166.	2,891.	1,238.
37 Equipment rental and maintenance				
38 Printing and publications	8,980.	7,956.	617.	407.
39 Travel	3,296.	2,967.	231.	98.
40 Conferences, conventions, and meetings ...	1,763.	1,586.	123.	54.
41 Interest	12,000.	12,000.		
42 Depreciation, depletion, etc. (attach schedule)	5,306.	4,775.	371.	160.
43 Other expenses not covered above (itemize): a b c d e f g SEE STATEMENT 2				
44 Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	1,017,506.	901,565.	54,880.	61,061.

Joint Costs. Check ☐ if you are following SOP 98-2.Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ☐ Yes ☒ NoIf "Yes," enter (i) the aggregate amount of these joint costs \$ N/A; (ii) the amount allocated to Program services \$ N/A;(iii) the amount allocated to Management and general \$ N/A; and (iv) the amount allocated to Fundraising \$ N/A

Part III Statement of Program Service Accomplishments (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ► SEE STATEMENT 4	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	
a COMMUNITY DEVELOPMENT - TO ENHANCE THE PERSONAL SAFETY AND SECURITY OF TARGET NEIGHBORHOOD RESIDENTS AND TO PROVIDE BEAUTIFICATION TO HOMEOWNERS AND OTHER OUTREACH SERVICES. PROGRAMS INCLUDE CLEAN-UPS, PAINT PROGRAM, FIRE SAFETY.	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	170,061.
b HOME OWNERSHIP CENTER - TO BRING NEW HOME OWNERSHIP OPPORTUNITIES TO HOUSEHOLDS OF MODERATE MEANS BY SUPPORTING PRIVATELY FUNDED FIRST MORTGAGE WITH SUBSIDIZED SECOND MORTGAGES. PROVIDES EDUCATION CLASSES AND LOAN SERVICES.	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	676,624.
c LOAN SERVICING CENTER - TO MAINTAIN THE ORGANIZATION'S LOAN PORTFOLIO AND AGREED UPON AMOUNT OF THE LOANS BY AN AGREEMENT WITH FUNDING SOURCES OR INVESTORS. THIS INCLUDES LOAN RENEWALS, LOAN MODIFICATIONS, AND VARIOUS OTHER FUNCTIONS.	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	54,880.
d	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
e Other program services (attach schedule)	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
f Total of Program Service Expenses (should equal line 44, column (B), Program services) ►	901,565.

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**SACRAMENTO NEIGHBORHOOD HOUSING
SERVICES, INC.**

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Part IV Balance Sheets (See the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year
Assets	45 Cash - non-interest-bearing	347,734.	45	708,755.
	46 Savings and temporary cash investments	1,622,843.	46	1,662,315.
	47 a Accounts receivable 47a			
	b Less: allowance for doubtful accounts 47b		47c	
	48 a Pledges receivable 48a			
	b Less: allowance for doubtful accounts 48b		48c	
	49 Grants receivable	313,157.	49	35,362.
	50 a Receivables from current and former officers, directors, trustees, and key employees		50a	
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)		50b	
	51 a Other notes and loans receivable 51a	3,441,980.		
	b Less: allowance for doubtful accounts 51b	176,500.	51c	3,265,480.
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges	1,655.	53	17,322.
	54 a Investments - publicly-traded securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54a	
	b Investments - other securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54b	
55 a Investments - land, buildings, and equipment: basis 55a				
b Less: accumulated depreciation 55b		55c		
56 Investments - other		56		
57 a Land, buildings, and equipment: basis 57a	111,515.			
b Less: accumulated depreciation STMT 5 57b	104,897.	57c	6,618.	
58 Other assets, including program-related investments (describe ► SEE STATEMENT 6)	361,190.	58	605,530.	
59 Total assets (must equal line 74). Add lines 45 through 58	5,099,612.	59	6,301,382.	
Liabilities	60 Accounts payable and accrued expenses	34,729.	60	51,235.
	61 Grants payable		61	
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees, and key employees		63	
	64 a Tax-exempt bond liabilities		64a	
	b Mortgages and other notes payable STMT 7	350,000.	64b	850,000.
	65 Other liabilities (describe ► SEE STATEMENT 8)	16,941.	65	10,491.
66 Total liabilities. Add lines 60 through 65	401,670.	66	911,726.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	67 Unrestricted	749,468.	67	1,066,751.
	68 Temporarily restricted		68	12,600.
	69 Permanently restricted	3,948,474.	69	4,310,305.
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
	73 Total net assets or fund balances. Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21)	4,697,942.	73	5,389,656.
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73	5,099,612.	74	6,301,382.

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SACRAMENTO NEIGHBORHOOD HOUSING

SERVICES, INC.

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Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return (See the instructions.)

a	Total revenue, gains, and other support per audited financial statements	a	1,765,055.
b	Amounts included on line a but not on Part I, line 12:		
1	Net unrealized gains on investments	b1	
2	Donated services and use of facilities	b2	
3	Recoveries of prior year grants	b3	
4	Other (specify): EXPENSE OFFSETTING REVENUE	b4	55,835.
	Add lines b1 through b4	b	55,835.
c	Subtract line b from line a	c	1,709,220.
d	Amounts included on Part I, line 12, but not on line a:		
1	Investment expenses not included on Part I, line 6b	d1	
2	Other (specify):	d2	
	Add lines d1 and d2	d	0.
e	Total revenue (Part I, line 12). Add lines c and d	e	1,709,220.

Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

a	Total expenses and losses per audited financial statements	a	1,073,341.
b	Amounts included on line a but not on Part I, line 17:		
1	Donated services and use of facilities	b1	
2	Prior year adjustments reported on Part I, line 20	b2	
3	Losses reported on Part I, line 20	b3	
4	Other (specify): EXPENSE OFFSETTING REVENUE	b4	55,835.
	Add lines b1 through b4	b	55,835.
c	Subtract line b from line a	c	1,017,506.
d	Amounts included on Part I, line 17, but not on line a:		
1	Investment expenses not included on Part I, line 6b	d1	
2	Other (specify):	d2	
	Add lines d1 and d2	d	0.
e	Total expenses (Part I, line 17). Add lines c and d	e	1,017,506.

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
PAM CANADA 6018 MCNEELY WAY ORANGEVALE, CA 95662	EXECUTIVE DIRECTOR 40.00	93,508.	0.	0.
LINDA CARROLL 5127 T STREET SACRAMENTO, CA 95819	ASSISTANT DIRECTOR 40.00	76,957.	0.	0.
MICHAEL HIMES 11710 KOUROS WAY RANCHO CORDOVA, CA 95742	HOME OWNERSHIP DIRECTOR 40.00	54,539.	0.	0.
JEFF THOMAS 10901 GOLD CENTER DRIVE, SUITE 400 RANCHO CORDOVA, CA 95670	BOARD PRESIDENT 5.00	0.	0.	0.
JOSEPH CONTRERAZ 455 BOWMAN AVENUE SACRAMENTO, CA 95833	1ST VICE PRESIDENT 5.00	0.	0.	0.
JIM PRICE 5574 W. BLUFF AVENUE FRESNO, CA 93722	SECRETARY 5.00	0.	0.	0.
DEBRA WINSTEAD 710 RIVERPOINT COURT, 2ND FLOOR WEST SACRAMENTO, CA 95605	DIRECTOR 5.00	0.	0.	0.
EUGENE LEE 6816 ROCKLEDGE CIRCLE ELK GROVE, CA 95758	DIRECTOR 5.00	0.	0.	0.

Part VI Other Information (continued)

		Yes	No
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a	X
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)	82b	24,173.
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	X
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a	X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	N/A
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?	85a	N/A
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less?	85b	N/A
If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.			
c	Dues, assessments, and similar amounts from members	85c	N/A
d	Section 162(e) lobbying and political expenditures	85d	N/A
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	N/A
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	N/A
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	N/A
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	N/A
86	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12	86a	N/A
b	Gross receipts, included on line 12, for public use of club facilities	86b	N/A
87	501(c)(12) organizations. Enter: a Gross income from members or shareholders	87a	N/A
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b	N/A
88 a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88a	X
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI	88b	X
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ 0.; section 4912 ▶ 0.; section 4955 ▶ 0.		
b	501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b	X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		0.
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization		0.
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?	89e	X
f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?	89f	X
g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	89g	X
90 a	List the states with which a copy of this return is filed ▶ CA		
b	Number of employees employed in the pay period that includes March 12, 2006	90b	10
91 a	The books are in care of ▶ LINDA CARROLL		
	Located at ▶ 3453 5TH AVENUE, SACRAMENTO, CA		
	Telephone no. ▶ 916-452-5361		
	ZIP + 4 ▶ 95817		
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country ▶ N/A	91b	X
See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			

**SACRAMENTO NEIGHBORHOOD HOUSING
SERVICES, INC.**

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Part VI Other Information (continued)

Yes	No
	X

c At any time during the calendar year, did the organization maintain an office outside of the United States? 91c

If "Yes," enter the name of the foreign country N/A

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here ☐

and enter the amount of tax-exempt interest received or accrued during the tax year 92 N/A

Part VII Analysis of Income-Producing Activities (See the instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
93 Program service revenue:					
a <u>LOAN INTEREST</u>					142,998.
b <u>LOAN FEES</u>					244,646.
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	19,974.	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					38,635.
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
a <u>MISCELLANEOUS INCOME</u>			01	24,455.	
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		0.		44,429.	426,279.
105 Total (add line 104, columns (B), (D), and (E))					470,708.

Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
93A-	<u>INTEREST AND FEE INCOME IS USED IN MAKING FURTHER LOW INTEREST LOANS</u>
93B	<u>TO OWNER OCCUPANTS UNDER THE OWNER OCCUPIED REHABILITATION PROGRAMS.</u>

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

Form **990** (2006)

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01-18-07

SACRAMENTO NEIGHBORHOOD HOUSING
SERVICES, INC.

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Part XI Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a
controlling organization as defined in section 512(b)(13). N/A106 Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes,"
complete the schedule below for each controlled entity.

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer	Yes	No
a	----- ----- -----					
b	----- ----- -----					
c	----- ----- -----					
Totals						

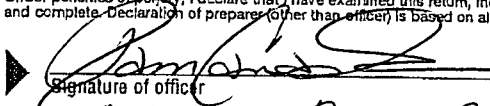
107 Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes,"
complete the schedule below for each controlled entity.

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer	Yes	No
a	----- ----- -----					
b	----- ----- -----					
c	----- ----- -----					
Totals						

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and
annuities described in question 107 above?

	Yes	No

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct,
and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please Sign Here:  Date 3-28-07

Type or print name and title: CEO Pam Canada

Paid Preparer's Use Only: Preparer's signature Daniel Baker CPA Date 3/27/2007 Check if self-employed ☐ Preparer's SSN or PTIN (See Gen. Inst. X) P00113525

Firm's name (or yours if self-employed), address, and ZIP + 4: GALLINA LLP
8001 FOLSOM BLVD., 2ND FLOOR
SACRAMENTO, CA 95826-2621

EIN 916-383-4020

Phone no. (916) 383-4020

Form 990 (2006)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information-(See separate instructions.)

► **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

OMB No. 1545-0047

2006

Name of the organization **SACRAMENTO NEIGHBORHOOD HOUSING
SERVICES, INC.**

Employer identification number
68 0118032

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 2 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
NONE				
Total number of other employees paid over \$50,000	0			

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services	0	

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of other contractors receiving over \$50,000 for other services	0	

SACRAMENTO NEIGHBORHOOD HOUSING

Schedule A (Form 990 or 990-EZ) 2006

SERVICES, INC.

68-0118032 Page 2

Part III Statements About Activities (See page 2 of the instructions.)

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)	1	X
Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a Sale, exchange, or leasing of property?	2a	X
b Lending of money or other extension of credit?	2b	X
c Furnishing of goods, services, or facilities?	2c	X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? SEE PART V-A, FORM 990	2d	X
e Transfer of any part of its income or assets?	2e	X
3 a Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.)	3a	X
b Did the organization have a section 403(b) annuity plan for its employees?	3b	X
c Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement	3c	X
d Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?	3d	X
4 a Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g	4a	X
b Did the organization make any taxable distributions under section 4966?	4b	X
c Did the organization make a distribution to a donor, donor advisor, or related person?	4c	X
d Enter the total number of donor advised funds owned at the end of the tax year		0
e Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year		0.
f Enter the total number of separate funds or accounts owned at the end of the year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts		0.
g Enter the aggregate value of assets in all funds or accounts included on line 4f at the end of the tax year		0.

Schedule A (Form 990 or 990-EZ) 2006

Part IV Reason for Non-Private Foundation Status (See pages 4 through 7 of the instructions.)I certify that the organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5 ☐ A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 ☐ A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 ☐ A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 ☐ A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 ☐ A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state **▶**
- 10 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b ☐ A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13 ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:
☐ Type I ☐ Type II ☐ Type III-Functionally Integrated ☐ Type III-Other

Provide the following information about the supported organizations. (See page 7 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer Identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
Total ▶					

- 14 ☐ An organization organized and operated to test for public safety. Section 509(a)(4). (See page 7 of the instructions.)

SACRAMENTO NEIGHBORHOOD HOUSING

Schedule A (Form 990 or 990-E)

66 SERVICES, INC.

68-0118032 Page 4

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) **Use cash method of accounting.****Note:** You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	796,867.	791,611.	1,206,567.	1,174,586.	3,969,631.
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	17,237.	17,315.	34,345.	33,768.	102,665.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets	172,154.	180,361.	SEE STATEMENT 9 195,278.	286,822.	834,615.
23 Total of lines 15 through 22	986,258.	989,287.	1,436,190.	1,495,176.	4,906,911.
24 Line 23 minus line 17	986,258.	989,287.	1,436,190.	1,495,176.	4,906,911.
25 Enter 1% of line 23	9,863.	9,893.	14,362.	14,952.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a 98,138.
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2002 through 2005 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b 0.
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c 4,906,911.
d Add: Amounts from column (e) for lines: 18 102,665. 19 22 834,615. 26b					26d 937,280.
e Public support (line 26c minus line 26d total)					26e 3,969,631.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 80.8988%
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: N/A					
(2005) (2004) (2003) (2002)					
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: N/A					
(2005) (2004) (2003) (2002)					
c Add: Amounts from column (e) for lines: 15 16 17 20 21					27c N/A
d Add: Line 27a total and line 27b total					27d N/A
e Public support (line 27c total minus line 27d total)					27e N/A
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e)					27f N/A
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g N/A %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h N/A %
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2002 through 2005, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.	NONE				

623131 01-18-07

NONE

13

Schedule A (Form 990 or 990-EZ) 2006

17570326 758820 76865

2006.05030 SACRAMENTO NEIGHBORHOOD HOU 76865_1

Part V Private School Questionnaire (See page 9 of the instructions.)

N/A

(To be completed ONLY by schools that checked the box on line 6 in Part IV)

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?		
If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)		
32 Does the organization maintain the following:		
a Records indicating the racial composition of the student body, faculty, and administrative staff?		
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
d Copies of all material used by the organization or on its behalf to solicit contributions?		
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)		
33 Does the organization discriminate by race in any way with respect to:		
a Students' rights or privileges?		
b Admissions policies?		
c Employment of faculty or administrative staff?		
d Scholarships or other financial assistance?		
e Educational policies?		
f Use of facilities?		
g Athletic programs?		
h Other extracurricular activities?		
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)		
34 a Does the organization receive any financial aid or assistance from a governmental agency?		
b Has the organization's right to such aid ever been revoked or suspended?		
If you answered "Yes" to either 34a or b, please explain using an attached statement.		
35 Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation		

Schedule A (Form 990 or 990-EZ) 2006

SACRAMENTO NEIGHBORHOOD HOUSING

Schedule A (Form 990 or 990-E)

36 SERVICES, INC.

68-0118032 Page 6

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 10 of the instructions.)

N/A

(To be completed ONLY by an eligible organization that filed Form 5768)

Check ☐ a ☐ if the organization belongs to an affiliated group.Check ☐ b ☐ if you checked "a" and "limited control" provisions apply.**Limits on Lobbying Expenditures**

(The term "expenditures" means amounts paid or incurred.)

	(a) Affiliated group totals	(b) To be completed for all electing organizations
	N/A	
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38 Total lobbying expenditures (add lines 36 and 37)	38	
39 Other exempt purpose expenditures	39	
40 Total exempt purpose expenditures (add lines 38 and 39)	40	
41 Lobbying nontaxable amount. Enter the amount from the following table -		
If the amount on line 40 is - The lobbying nontaxable amount is -		
Not over \$500,000	20% of the amount on line 40	
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	
Over \$17,000,000	\$1,000,000	
42 Grassroots nontaxable amount (enter 25% of line 41)	42	
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43	
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44	

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 13 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
45 Lobbying nontaxable amount					0.
46 Lobbying ceiling amount (150% of line 45(e))					0.
47 Total lobbying expenditures					0.
48 Grassroots nontaxable amount					0.
49 Grassroots ceiling amount (150% of line 48(e))					0.
50 Grassroots lobbying expenditures					0.

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 13 of the instructions.)

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines c through h.)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (Add lines c through h.)			0.

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.

623151
01-18-07

FORM 990

OFFICER COMPENSATION ALLOCATION
PART II, LINE 25A

STATEMENT 3

NAME OF OFFICER, ETC.	COMPENSATION	EMPLOYEE BEN. PLANS	EXPENSE ACCOUNTS	TOTALS
PAM CANADA	93,508.			93,508.
A. PROGRAM SERVICES	84,157.			84,157.
B. MANAGEMENT AND GENERAL	6,546.			6,546.
C. FUNDRAISING	2,805.			2,805.

NAME OF OFFICER, ETC.	COMPENSATION	EMPLOYEE BEN. PLANS	EXPENSE ACCOUNTS	TOTALS
LINDA CARROLL	76,957.			76,957.
A. PROGRAM SERVICES	69,261.			69,261.
B. MANAGEMENT AND GENERAL	5,387.			5,387.
C. FUNDRAISING	2,309.			2,309.

NAME OF OFFICER, ETC.	COMPENSATION	EMPLOYEE BEN. PLANS	EXPENSE ACCOUNTS	TOTALS
MICHAEL HIMES	54,539.			54,539.
A. PROGRAM SERVICES	49,085.			49,085.
B. MANAGEMENT AND GENERAL	3,818.			3,818.
C. FUNDRAISING	1,636.			1,636.

TOTAL PROGRAM SERVICES				202,503.
TOTAL MANAGEMENT AND GENERAL				15,751.
TOTAL FUNDRAISING				6,750.
TOTAL OFFICER, ETC., COMPENSATION INCLUDED ON PART II, LINE 25A				225,004.

FORM 990	STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE PART III	STATEMENT	4
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EXPLANATION

TO IMPROVE AND RESTORE NEIGHBORHOODS DISTRICT-WIDE PRIMARILY FOR THE
BENEFIT OF THE NEIGHBORHOOD RESIDENTS.

FORM 990	DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT	STATEMENT	5
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DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
DEPRECIABLE ASSETS	111,515.	104,897.	6,618.
TOTAL TO FORM 990, PART IV, LN 57	111,515.	104,897.	6,618.

FORM 990	OTHER ASSETS	STATEMENT	6
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DESCRIPTION	AMOUNT
INTEREST RECEIVABLE-LONG TERM	61,507.
REAL ESTATE HELD FOR INVESTMENT	448,051.
INTEREST RECEIVABLE-CURRENT	5,071.
DEPOSITS	16,000.
CONSTRUCTION IN-PROGRESS- OFFICE BUILDING	74,901.
TOTAL TO FORM 990, PART IV, LINE 58, COLUMN B	605,530.

FORM 990

OTHER NOTES AND LOANS PAYABLE

STATEMENT 7

LENDER'S NAME

TERMS OF REPAYMENT

WAMU COMMUNITY
DEVELOPMENT, INC.QUARTERLY INTEREST
PAYMENTDATE OF
NOTEMATURITY
DATEORIGINAL
LOAN AMOUNTINTEREST
RATE

VARIOUS

07/12/08

250,000.

4.00%

SECURITY PROVIDED BY BORROWER

PURPOSE OF LOAN

UNSECURED

RELATIONSHIP OF LENDER

NONE

DESCRIPTION OF CONSIDERATION

FMV OF
CONSIDERATION

BALANCE DUE

0.

250,000.

LENDER'S NAME

TERMS OF REPAYMENT

OAK PARK TAX INCREMENT
PROMISSORY NOTEPRINCIPAL & INTEREST
BALLOON PAYMENT AT
MATURITYDATE OF
NOTEMATURITY
DATEORIGINAL
LOAN AMOUNTINTEREST
RATE

VARIOUS

02/18/13

100,000.

2.00%

SECURITY PROVIDED BY BORROWER

PURPOSE OF LOAN

UNSECURED

RELATIONSHIP OF LENDER

NONE

DESCRIPTION OF CONSIDERATION

FMV OF
CONSIDERATION

BALANCE DUE

0.

100,000.

<u>LENDER'S NAME</u>		<u>TERMS OF REPAYMENT</u>	
COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION FUND		QUARTERLY INTEREST PAYMENT	
<u>DATE OF NOTE</u>	<u>MATURITY DATE</u>	<u>ORIGINAL LOAN AMOUNT</u>	<u>INTEREST RATE</u>
09/29/06	09/29/16	250,000.	3.00%
<u>SECURITY PROVIDED BY BORROWER</u>		<u>PURPOSE OF LOAN</u>	
UNSECURED			

RELATIONSHIP OF LENDER

NONE

<u>DESCRIPTION OF CONSIDERATION</u>	<u>FMV OF CONSIDERATION</u>	<u>BALANCE DUE</u>
	0.	250,000.

<u>LENDER'S NAME</u>		<u>TERMS OF REPAYMENT</u>	
US BANKCORP		QUARTERLY INTEREST PAYMENT	
<u>DATE OF NOTE</u>	<u>MATURITY DATE</u>	<u>ORIGINAL LOAN AMOUNT</u>	<u>INTEREST RATE</u>
02/23/06	02/23/16	250,000.	3.00%
<u>SECURITY PROVIDED BY BORROWER</u>		<u>PURPOSE OF LOAN</u>	
UNSECURED			

RELATIONSHIP OF LENDER

NONE

<u>DESCRIPTION OF CONSIDERATION</u>	<u>FMV OF CONSIDERATION</u>	<u>BALANCE DUE</u>
	0.	250,000.

TOTAL INCLUDED ON FORM 990, PART IV, LINE 64, COLUMN B

850,000.

FORM 990	OTHER LIABILITIES	STATEMENT	8
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DESCRIPTION	AMOUNT
LOAN CONSTRUCTION ESCROW	4,625.
TAX & INSURANCE ESCROW	5,866.
TOTAL TO FORM 990, PART IV, LINE 65, COLUMN B	10,491.

SCHEDULE A	OTHER INCOME	STATEMENT	9
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DESCRIPTION	2005 AMOUNT	2004 AMOUNT	2003 AMOUNT	2002 AMOUNT
PROGRAM/SPECIAL EVENTS REVENUE	172,154.	180,361.	195,278.	286,822.
TOTAL TO SCHEDULE A, LINE 22	172,154.	180,361.	195,278.	286,822.

Form 990-T

Department of the Treasury
Internal Revenue ServiceREQUEST FOR TETR CREDIT
Exempt Organization Business Income Tax Return
(and proxy tax under section 6033(e))

For calendar year 2006 or other tax year beginning

, and ending

OMB No. 1545-0047

2006

Open to Public Inspection for
501(c)(3) Organizations Only

A <input type="checkbox"/> Check box if address changed		Name of organization (<input type="checkbox"/> Check box if name changed and see instructions.) SACRAMENTO NEIGHBORHOOD HOUSING SERVICES, INC.		D Employer identification number (Employees' trust, see instructions for Block D on page 9.) 68-0118032	
B Exempt under section <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 408(e) <input type="checkbox"/> 220(e) <input type="checkbox"/> 408A <input type="checkbox"/> 530(a) <input type="checkbox"/> 529(a)		Print or Type Number, street, and room or suite no. If a P.O. box, see page 9 of instructions. 3447 5TH AVENUE		E Unrelated business activity codes (See instructions for Block E on page 9.) N/A	
C Book value of all assets at end of year 6,301,382.		F Group exemption number (see instructions for Block F.) ▶			
		G Check organization type <input checked="" type="checkbox"/> 501(c) corporation <input type="checkbox"/> 501(c) trust <input type="checkbox"/> 401(a) trust <input type="checkbox"/> Other trust			

H Describe the organization's primary unrelated business activity. **▶ SEE STATEMENT 10**
I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? ☐ Yes ☐ No
 If "Yes," enter the name and identifying number of the parent corporation. **▶ N/A**
J The books are in care of **▶ LINDA CARROLL** Telephone number **▶ 916-452-5361**

Part I Unrelated Trade or Business Income		(A) Income	(B) Expenses	(C) Net
1 a Gross receipts or sales				
b Less returns and allowances	c Balance ▶	1c		
2 Cost of goods sold (Schedule A, line 7)		2		
3 Gross profit. Subtract line 2 from line 1c		3		
4 a Capital gain net income (attach Schedule D)		4a		
b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)		4b		
c Capital loss deduction for trusts		4c		
5 Income (loss) from partnerships and S corporations (attach statement)		5		
6 Rent income (Schedule C)		6		
7 Unrelated debt-financed income (Schedule E)		7		
8 Interest, annuities, royalties, and rents from controlled organizations (Sch. F)...		8		
9 Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)		9		
10 Exploited exempt activity income (Schedule I)		10		
11 Advertising income (Schedule J)		11		
12 Other income (See instructions; attach schedule.)		12		
13 Total. Combine lines 3 through 12		13	0.	

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions.)
 (Except for contributions, deductions must be directly connected with the unrelated business income.)

14 Compensation of officers, directors, and trustees (Schedule K)	14	
15 Salaries and wages	15	
16 Repairs and maintenance	16	
17 Bad debts	17	
18 Interest (attach schedule)	18	
19 Taxes and licenses	19	
20 Charitable contributions (See instructions for limitation rules.)	20	
21 Depreciation (attach Form 4562)	21	
22 Less depreciation claimed on Schedule A and elsewhere on return	22a	22b
23 Depletion	23	
24 Contributions to deferred compensation plans	24	
25 Employee benefit programs	25	
26 Excess exempt expenses (Schedule I)	26	
27 Excess readership costs (Schedule J)	27	
28 Other deductions (attach schedule)	28	
29 Total deductions. Add lines 14 through 28	29	0.
30 Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13	30	0.
31 Net operating loss deduction (limited to the amount on line 30)	31	
32 Unrelated business taxable income before specific deduction. Subtract line 31 from line 30	32	0.
33 Specific deduction (Generally \$1,000, but see instructions for exceptions)	33	1,000.
34 Unrelated business taxable income. Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32	34	0.

**SACRAMENTO NEIGHBORHOOD HOUSING
SERVICES, INC.**

Form 990-T (2006)

61 118032

Page 2

Part III Tax Computation

35 Organizations Taxable as Corporations. See instructions for tax computation.

Controlled group members (sections 1561 and 1563) check here ☐ See instructions and:

a Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order):

(1) \$ (2) \$ (3) \$

b Enter organization's share of: (1) Additional 5% tax (not more than \$11,750) \$

(2) Additional 3% tax (not more than \$100,000) \$

c Income tax on the amount on line 34 **35c** 0.

36 Trusts Taxable at Trust Rates. See instructions for tax computation. Income tax on the amount on line 34 from:

☐ Tax rate schedule or ☐ Schedule D (Form 1041) **36**

37 Proxy tax. See instructions **37**

38 Alternative minimum tax **38**

39 Total. Add lines 37 and 38 to line 35c or 36, whichever applies **39** 0.

Part IV Tax and Payments

40a Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116) **40a**

b Other credits (see instructions) **40b**

c General business credit. Check here and indicate which forms are attached:

☐ Form 3800 ☐ Form(s) (specify) **40c**

d Credit for prior year minimum tax (attach Form 8801 or 8827) **40d**

e Total credits. Add lines 40a through 40d **40e**

41 Subtract line 40e from line 39 **41** 0.

42 Other taxes. Check if from: ☐ Form 4255 ☐ Form 8611 ☐ Form 8697 ☐ Form 8866 ☐ Other (attach schedule) **42**

43 Total tax. Add lines 41 and 42 **43** 0.

44a Payments: A 2005 overpayment credited to 2006 **44a**

b 2006 estimated tax payments **44b**

c Tax deposited with Form 8868 **44c**

d Foreign organizations: Tax paid or withheld at source (see instructions) **44d**

e Backup withholding (see instructions) **44e**

f Credit for federal telephone excise tax paid (attach Form 8913) **44f** 147.

g Other credits and payments: ☐ Form 2439 ☐ Form 4136 ☐ Other **44g**

45 Total payments. Add lines 44a through 44g **45** 147.

46 Estimated tax penalty (see instructions). Check if Form 2220 is attached ☐ **46**

47 Tax due. If line 45 is less than the total of lines 43 and 46, enter amount owed **47**

48 Overpayment. If line 45 is larger than the total of lines 43 and 46, enter amount overpaid **48** 147.

49 Enter the amount of line 48 you want: Credited to 2007 estimated tax **49** 147.

Part V Statements Regarding Certain Activities and Other Information (See instructions on page 18)

1 At any time during the 2006 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file Form TD F 90-22.1. If YES, enter the name of the foreign country here **Yes** **No** X

2 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If YES, see page 5 of the instructions for other forms the organization may have to file. **Yes** **No** X

3 Enter the amount of tax-exempt interest received or accrued during the tax year **\$**

Schedule A - Cost of Goods Sold. Enter method of inventory valuation **N/A**

1 Inventory at beginning of year 1	6 Inventory at end of year 6
2 Purchases 2	7 Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2 7
3 Cost of labor 3	8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization? Yes No X
4a Additional section 263A costs 4a	
b Other costs (attach schedule) 4b	
5 Total. Add lines 1 through 4b 5	

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer _____ Date _____ Title _____

May the IRS discuss this return with the preparer shown below (see instructions)? ☒ Yes ☐ No

Paid Preparer's Use Only

Preparer's signature _____ Date _____ Check if self-employed ☐ Preparer's SSN or PTIN P00113525
Firm's name (or yours if self-employed), address, and ZIP code **GALLINA LLP**
8001 FOLSOM BLVD., 2ND FLOOR
SACRAMENTO, CA 95826-2621
EIN **94-2147510**
Phone no. **(916) 383-4020**

FORM 990-T	DESCRIPTION OF ORGANIZATION'S PRIMARY UNRELATED BUSINESS ACTIVITY	STATEMENT 10
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NO UNRELATED BUSINESS ACTIVITY. FORM 990-T IS FILED FOR SOLE PURPOSE OF CLAIMING ALLOWED TELEPHONE EXCISE TAX REBATE UNDER TETR CREDIT.

TO FORM 990-T, PAGE 1

Department of the Treasury
Internal Revenue Service

▶ Attach to your income tax return.

Name(s) as shown on your income tax return

**SACRAMENTO NEIGHBORHOOD HOUSING
SERVICES, INC.**

Identifying number

68-0118032

Enter the federal telephone excise tax billed during each period as listed in column (a) of lines 1-14 below.

By filing this form, you are certifying that you (1) have not received from your service provider a credit or refund of the tax paid on long distance service or bundled service billed after February 28, 2003, and before August 1, 2006, and (2) will not ask your provider for a credit or refund or have withdrawn any request submitted to the provider for a credit or refund.

Caution. See the instructions for explanations of the services that qualify for a credit or refund of the federal telephone excise tax.**Amount of federal excise tax on long distance or
bundled service only**

(a) Bills dated during:	(b) Long distance service	(c) Bundled service	(d) Tax credit or refund (add columns (b) and (c))	(e) Interest (see instructions)
1 March, April, and May 2003	\$	\$	\$ 7.	\$ 2.
2 June, July, and August 2003			8.	2.
3 September, October, and November 2003			9.	2.
4 December 2003; January and February 2004			9.	2.
5 March, April, and May 2004			9.	2.
6 June, July, and August 2004			9.	2.
7 September, October, and November 2004			10.	2.
8 December 2004; January and February 2005			9.	1.
9 March, April, and May 2005			9.	1.
10 June, July, and August 2005			10.	1.
11 September, October, and November 2005			10.	1.
12 December 2005; January and February 2006			11.	1.
13 March, April, and May 2006			11.	1.
14 June and July 2006			6.	
15 Add lines 1 - 14 in columns (d) and (e)			\$ 127.	\$ 20.
16 Total credit or refund requested. Add columns (d) and (e) on line 15. Enter here and on Form 1040, line 71; Form 1040A, line 42; Form 1040EZ, line 9; Form 1040EZ-T, line 1a; Form 1040NR, line 69; Form 1040NR-EZ, line 21; Form 1120, line 32g; Form 1120-A, line 28g; Form 1120S, line 23d; Form 1041, line 24f; Form 1041-N, line 17; Form 1065, line 23; Form 990-T, line 44f; or the proper line of other returns ▶				\$ 147.

LHA For Paperwork Reduction Act Notice, see the instructions.

Form **8913** (2006)